Soledad Unified School District

Gene Martin, District Superintendent

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"Education for Life"

July 24, 2001

Marilyn A. Maxner, Chair Ray Lorenz, Foreman Grand Jury County of Monterey P.O. Box 414 Salinas, CA 93902

RE: ADDENDUM TO THE RESPONSE TO THE 2000 MONTEREY COUNTY CIVIL GRAND JURY

Per your letter dated July 19, 2001, which we received July 23, 2001, the following represents an addendum to our response of January 24, 2001. The January 24th letter responded to the recommendations and this response is to the findings:

Finding #1 For the past two years, our district does not use any lottery funds for salaries. It is our intent not to use lottery money for salaries, provided that the state legislators properly funds school needs through other funding sources.

By the Grand Jury stating that 16 of the 19 school districts used lottery funds for salaries, they presume that something is illegal in using lottery money for salaries. While the California Department of Education "recommends" that lottery funds be used for non-recurring expenses, the actual use is left up to the local administration and elected school boards, since each district may have different needs.

- Finding #2 Even the Grand Jury's survey stated that there was no evidence that any lottery education revenues were being spent for prohibited purposes in Monterey County. This finding alone should have rendered a positive report from the Grand Jury with respect to school's use of lottery money.
- Finding #3 Our district tracks lottery money in a separate sub fund, which is approved and monitored by the Monterey County Office of Education and audited annually by our independent CPA's. We were not one of the 4 districts that place lottery money in their general fund without further tracking.

Finding #4 As noted in our response of January 24th.

"While the Cardenas Textbook Act of March 2000 only requires that 50% of new lottery revenue be used for textbooks, our district is now using 50% of all lottery funds for textbooks, since the state's Instructional Materials allotment has not kept pace with the increasing costs of textbooks and supplemental instructional materials. By using 50% of "all" lottery money and the state's meager allowance for Instructional Materials, we have developed a 10-year Master Plan to fully fund the state textbook adoptions as they occur."

Sincerely, Lee mark.

Gene Martin

District Superintendent

GM; if

C: Dr Bill Barr, County Superintendent of Schools

Board of Trustees - Soledad Unified School District